

SECRET

PRODUCTION 5-8

Noted By D/RR

1051

29 May 1967

MEMORANDUM FOR: Mr. Smith
Mr. Proctor
Mr. Godfrey
Mr. Morell ✓

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1. The Director called last night to state that the following project has been laid on urgently by the White House (Walt Rostow):

On the assumption that there will be no fighting in the Middle East in the immediate future but that the Arab-Israeli confrontation will be a "long and grinding" affair,

a) What is the underlying short-run economic situation in Egypt; i.e., how much food is available for the troops, what amounts of gasoline are on hand for the tanks, vehicles, planes, etc?

b) What is the long-term economic situation for Egypt over the coming weeks, months, or years? Are the Egyptians going to starve, will they be able to provide their troops with food, are their stocks of oil sufficient to keep the tanks rolling, etc? What will happen to their trade?

2. For your background information only, the Director assumes that the White House is interested to know whether there is any vulnerability in the Egyptian position over which economics would have some control. Nasir may be looking for US aid, and the price he is willing to pay for it will depend on how badly fixed he is. Yesterday's Star has an article on the Egyptian economy drawn from the May issue of Fortune.

3. The White House has asked us to "do this job well, but do it urgently."

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cc: O/DCI

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